



WORKING FOR THE COMMUNITY

34 Shore Street, Macduff, Aberdeenshire, AB44 1TS.
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RESERVES POLICY

BACKGROUND

Deveron District Age Concern (DDAC) is an independent charity operating from a shop in Macduff, most of our income is derived from the shop. All items sold at the shop are donated as unwanted items with surplus sales income returned to the community. Our stock value is minimal, and the shop is manned by volunteers, with exception of one paid manager.

If the shop had to urgently close our asset value would be minimal with no stock value and limited fixtures.

Our Shop is rented on a repairing lease that provides some risks due to the age of property and the 'non spend' attitude of fellow owner of the property.

We carry insurance including 'business interruption' to a value of £15,000. This amount is considered to cover manager salary for 3 months and other costs if the shop has to urgently close. But no allowance to move DDAC activities to another shop.

RESERVES

Taking our present background into consideration the following reserves are adopted:

- £3000 to cover running the shop with minimal income for 2 months. This amount is temporarily increased to £5000 until 'post lockdown' and national energy stability is obtained at the shop.
- £3000 for urgent repairs to comply with our 'repairing lease'

When DDAC has surplus money in the bank of more than £8000 (or £5000 with future stability) we will decrease the total amount of surplus sales income sensibly by releasing monies to the community.

Alun Dyson, Hon. Treasurer, Deveron District Age Concern.

